

ORIGINAL



0000146942

BEFORE THE ARIZONA CORPORATION

RECEIVED

2013 JUL 11 P 2:50

Arizona Corporation Commission

DOCKETED

JUL 17 2013

Bob Stump, Chairman
Gary Pierce, Commissioner
Brenda Burns, Commissioner
Bob Burns, Commissioner
Susan Bitter Smith, Commissioner

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

nr

In the Matter of the Commission's Inquiry
into Retail Electric Competition

Docket No. E-00000W-13-0135

COMMENTS OF THE ALLIANCE FOR SOLAR CHOICE

The Alliance for Solar Choice ("TASC") submits these comments pursuant to the May 23, 2013 correspondence from Ms. Jodi Jerich requesting stakeholder feedback regarding retail electric competition in Arizona ("May Correspondence").

TASC advocates for maintaining successful distributed solar energy policies, such as retail net metering ("NEM"), throughout the United States. Founding members represent the majority of the nation's rooftop solar market and include SolarCity, Sungevity, Sunrun and Verengo. These companies are important stakeholders in Arizona's Renewable Energy Standard ("RES") and NEM programs and are responsible for thousands of residential, school, church, government and commercial solar installations in the State. Together, these companies have brought hundreds of jobs and many tens of millions of dollars of investment to Arizona's cities and towns.

//

//

1 As the Commission moves forward with its consideration of “whether it is in the public
2 interest to implement retail electric competition in Arizona”,¹ TASC believes consumer
3 empowerment is an important principle that should guide the Commission in its consideration.
4 Arizona is in the midst of a major paradigm shift, where innovative policies, financing and
5 technological solutions are linking consumers and energy sources more intimately than ever
6 before. Consumers now have the option to invest in on-site generation instead of complete
7 reliance on utility-provided energy. Americans’ desire to assert control over their electric bills
8 has largely driven the rooftop solar market, and TASC believes it is vital that the Commission
9 continue to support this choice as it evaluates whether to implement retail electric competition in
10 Arizona.
11

12 TASC submits these comments in response to questions 14 and 16 in the May
13 Correspondence to highlight that NEM programs and renewable portfolio standards, similar to
14 Arizona’s RES, have successfully been implemented in a number of states that have
15 implemented retail competition throughout the country. The experience of these states
16 demonstrates that RES and NEM policies are fully compatible with retail competition.
17

18 **I. Question 14: Is retail electric competition compatible with the Commission's**
19 **Renewable Energy Standard that requires Arizona's utilities serve at least 15% of**
20 **their retail loads with renewable energy by 2025? (See A.A.C. R14-2-1801 et seq.)**

21 The experience of a number of states demonstrates that the RES is fully compatible with
22 retail electric competition. In fact, all of the states, as well as the District of Columbia, that have
23 active retail choice programs also have Renewable Portfolio Standards.² If the Commission
24

25 ¹ May Correspondence.

26 ² EIA, http://www.eia.gov/electricity/policies/restructuring/restructure_elect.html, and DSIRE,
http://www.dsireusa.org/documents/summarymaps/RPS_map.pdf.

1 moves forward with implementing retail choice in Arizona, TASC looks forward to working
2 with the Commission to implement regulatory and market structures that efficiently and cost-
3 effectively introduce retail choice consistent with Arizona's laudable RES requirements.

4 **II. Question 16: How should the Commission address net metering rates in a**
5 **competitive market?**

6
7 In December 2010, the Interstate Renewable Energy Council published a study titled The
8 Intersection of Net Metering and Retail Choice, which explains the ways in which NEM policies
9 have been implemented in states with competitive retail markets.³ Although the experience of
10 these states demonstrates that NEM and retail choice are fully compatible, the IREC study
11 highlights that variations in NEM approaches have been pursued to accommodate differences in
12 states' approaches to restructuring retail markets. To maintain a stable policy environment for
13 Arizonans' investment in solar, TASC believes it is critical for the Commission to address the
14 market restructuring necessary to introduce retail choice prior to undertaking any modifications
15 to the State's NEM program.

16
17 If the Commission moves forward with implementing retail choice in Arizona, the
18 Commission should not lose sight of the significant benefits solar NEM provides to Arizona's
19 electric system. These benefits continue in a competitive retail market. Distribution and
20 transmission operators benefit in the form of increased electric system reliability, improvements
21 in power quality, and reduced infrastructure costs. Energy suppliers benefit from avoided line
22 losses, reduced peak power costs, and reduced congestion. Finally, and perhaps most
23 importantly, solar NEM empowers Arizonans with consumer choice and a cost-effective,
24

25 Interstate Renewable Energy Council, *The Intersection of Net Metering and Retail Choice*, p. 3
26 (December 2010) (IREC Study), <http://irecusa.org/wp-content/uploads/2010/12/FINAL-Intersection-of-Retail-Choice-and-Net-Metering-Report.docx.pdf>

1 competitive alternative to utility-provided energy. The potential introduction of retail
2 competition need not deny these benefits to the State and its ratepayers.

3 TASC appreciates the opportunity to submit these comments.

4 Respectfully submitted,

5 

6 Anne Smart
7 Executive Director
8 The Alliance for Solar Choice
9 45 Fremont Street, 32nd Floor
10 San Francisco, CA 94105
11 Phone: (415) 580-6900
12 E-mail: anne@allianceforsolarchoice.com

11 **Certificate of Service**

12 I hereby certify I have this day filed or caused to be filed an original and thirteen copies of the
13 foregoing on this 15th day of July, 2013 with:

14 Docket Control
15 Arizona Corporation Commission
16 1200 W. Washington
Phoenix, AZ 85007

17 I hereby certify that I have this day served or caused to be served the foregoing documents on all
18 parties of record in this proceeding by delivering a copy thereof in person, or by mailing a copy
thereof, properly addressed with first class postage prepaid.

19 Dated San Francisco, California, this 15th day of July, 2013.

20
21 

22 Anne Smart
23 Executive Director
24 The Alliance for Solar Choice
25 45 Fremont Street, 32nd Floor
26 San Francisco, CA 94105
Phone: (415) 580-6900
E-mail: anne@allianceforsolarchoice.com